

Report

of

The Logistics Annual Planning Conference

The Office of Logistics holds an annual conference to assess what has been, what is, and what should be. This year's conference was held 14 and 15 October [redacted]

[redacted] This location, away from the pressures and demands of daily activities, provided an atmosphere that allowed continuous uninterrupted discussion. The conference was attended by the front office, division and staff chiefs, and the conference coordinator from the Plans and Programs Staff. For the past two years, the primary objective of the conference has been to discuss and establish goals and objectives for strategic and long-range planning. Since the Logistics Five-Year Plan had been completed and the Office's response to the Agency Long-Range Plan was well underway, this year's conference focused on issues that offered the potential to improve Logistics as a place to work and to increase organizational responsiveness and efficiency through mutually agreed changes. Each chief presented a topic meeting this criteria and served as moderator of discussion on the issue to reach a conclusion. (S)

The conference was opened by the Director of Logistics (D/L), Dan King, who set the tenor for open and informal discussion on issues of Office-wide and Agency-wide concern. The D/L had recently attended the Office of Management and Budget hearings on OL's 1984 budget and stated the hearings went okay. He further stated the funding process for the two major projects underway in OL--LIMS and the new building--was on schedule, and there is a good possibility that both will receive adequate funds to proceed. Regarding OL's workload, the D/L stated that there is now more work than people. Although the ideal situation is parity between work and personnel, the majority prefer to be busy than to be without sufficient work. (U)

The conference continued with discussions led by each division and staff chief. The topics discussed are summarized in the following paragraphs. (U)

WARNING NOTICE
INTELLIGENCE SOURCES
OR METHODS INVOLVED

S E C R E T

PROMOTION POLICY FOR NEW PROFESSIONAL ENTRANTS IN CATEGORY I
[REDACTED] C/P&TS/OL-

25X1

OL has been faced with, and continues to address, the question of how to equitably integrate new logistics professionals in the logistics work force through the comparative evaluation panel process. This issue applies mainly to professionals in the Supply and Procurement Divisions and has most recently been discussed in the S-1 and S-2 panels.

The dilemma is created by the unique characteristics of the competitive groups: the new professional and the homegrown professional. The new professional is usually a recent college graduate with a good academic record but little related work experience. These employees are most often placed in Category I based on their educational background and academic records which suggest the potential for rapid career growth into higher level positions. Rapid promotions are warranted based on this potential and to remain competitive with other Government agencies and the private sector, whose training programs and/or promotion policies are more liberal than the Agency's in grades 7 through 11. The homegrown professional is usually an employee who has come up through the ranks, who has paid dues but often does not have a college degree. These employees who have excellent performance records and the potential to assume greater responsibilities are placed in Category I or II. Promotions are warranted in recognition of performance and potential and to retain the experience and learning that has been gained over the years and that is valuable to the Office. (U/AIUO)

It was generally agreed that dual or separate evaluation systems would not be established and that equity in the promotion process must be maintained. It was the consensus of attendees that new professional entrants at the GS-7 level must be noncompetitively promoted through GS-9, providing performance is satisfactory, to remain at least marginally competitive in the GS-7 through 11 grade range with other entities. Given the necessity of promotion for new professionals through GS-9, then, to achieve equity and fairness to all employees, it was thought that promotions should be made in excess of headroom, when necessary and possible, to achieve a balance of all professionals. It was emphasized that employees who are not performing satisfactorily should be identified early on (during the trial period in the case of new employees) and action taken to correct the situation. The Chief, Personnel and Training Staff will draft the policy on the promotion of professionals. (U/AIUO)

MANAGEMENT OF DATA IN OL

[] C/P&PS/OL-

25X1 Data is a costly organizational resource and, therefore, should be managed effectively. ADP systems should be accurate, reliable, customer-oriented, maintainable, accepted, useful, standardized, and avoid duplication. The decentralized systems in OL tend to prohibit the achievement of these objectives. Hence, a proposal was presented for a greater degree of centralized management of ADP in OL. (U)

25X1 The proposal provided for centralized management of all OL ADP functions. OL currently has 17 ADP systems and 14 information data bases with management and operation decentralized in OL functional components. Although the Systems Analysis Branch (staffed by ODP careerists), now a part of P&PS, is responsible for maintenance of these systems, approximately [] logistics careerists are dedicated full time to systems operations. The centralized ADP structure is envisioned to function much like the procurement team system; i.e., systems operations will continue to be decentralized, while management of personnel resources and requirements will be centralized. In addition to becoming more effective and meeting the objectives stated above, centralized management of ADP resources will be more responsive to requirements, provide parity between requirements and capabilities, allow continuity, and offer a specialized career tract to OL careerists. (U/AIUO)

All attendees favored some degree of centralization, and the Chief, Plans and Programs Staff is coordinating with division chiefs to identify the best balance between the efficiencies of centralization and the responsiveness of decentralization, and is to prepare a LN outlining this new structure. (U)

AGENCY GROWTH AND ITS IMPACT ON PRESENT SPACE PLANNING

[] C/BPS/OL, [] C/LSD/OL-

25X1 The total Agency projected growth in personnel and advanced technical systems for the next 10 years will increase demands on OL for space. The planned increases suggest that present space planning for consolidation on the Headquarters compound may not be adequate to satisfy Agency space needs. Hence, decentralization of Agency functions may continue, and consideration should be given to alternatives for acquiring additional space to house the Agency. It is presently very difficult to acquire adequate space in a timely manner to satisfy customer requirements. This difficulty will be intensified by growth. The unknowns that preclude proper space planning are actual growth of personnel and systems, the new building occupants, and the effects of new technical systems on office designs and furniture requirements.

The impact of the new building consolidation on OL's assignment of resources is a major concern; i.e., where will field officers be assigned? will consolidating the Agency result in some degree of duplication (e.g., a headquarters and field engineer in the same office)? will the three printing plants now in existence (P&PD, FBIS and OTS) be colocated at the Langley complex as three autonomous and physical entities? (U)

The Chief, Supply Division, will study the space issue. (U)

IMPROVING PRODUCTIVITY IN OL THROUGH QUALITY CIRCLES

[REDACTED] C/P&PD/OL-

The implementation of Quality Circles in the Printing and Photography Division is being considered as a tool to improve productivity. A Quality Circle is a small group of employees (8-15) who perform related work and meet regularly to solve work-related problems by using analytical problem-solving methodology and brainstorming. Quality Circles allow worker involvement in problem resolution with decisions made by workers for workers. Quality Circles require management support, interested members, and trained facilitators. (U)

Quality Circles have been successfully used in Japan and in over 70 U.S. firms and Government agencies. The Norfolk Naval Shipyard has experienced significant dollar savings through the use of Quality Circles in addition to intangible savings, increased productivity, improved morale, and worker motivation. (U)

Quality Circles have the potential for application in the [REDACTED] and Logistics Services Division as well as P&PD. The Chief, Printing and Photography Division will conduct further research and initiate a pilot program in P&PD. (U)

REORGANIZATION OF OL

[REDACTED] C/SD/OL-

OL management continually evaluates Office functions and structure to assess responsiveness to customers. Organizational realignment is being considered as one way to become more efficient and responsive. The following factors were presented in support of a reorganization of the Office of Logistics:

- The current organizational structure is sometimes a barrier to the flow of requirements and communications; consequently, responsiveness to customers is being degraded.
- The implementation of LIMS.

- Managers of stock are too far from the buyers.

[REDACTED]

- There is no central point of contact for status on requirements.
- The data bases applicable to the acquisition process are not sufficiently common.

- Procurement teams [REDACTED] do not have enough interaction with Procurement Division.

- [REDACTED] is organizationally separate from Ordnance and Transportation. Close coordination is required among these elements. (C)

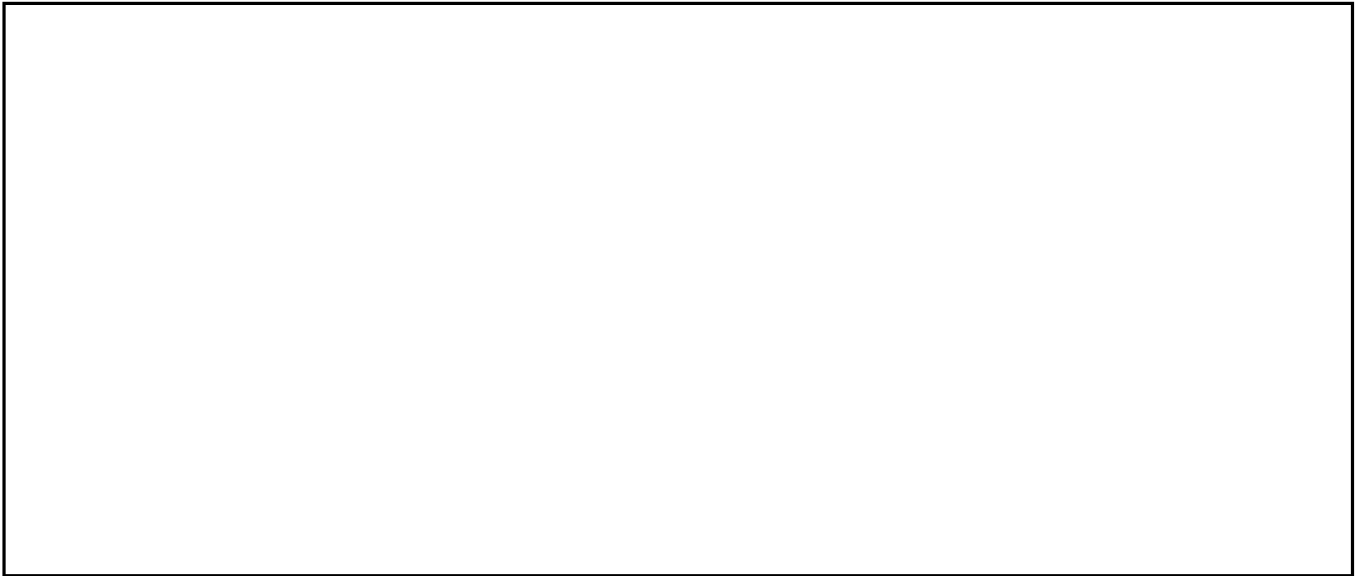
It is generally felt that LIMS, as currently designed, will require a group (possibly high-level managers) at the front end of the system to queue requirements into the system. The priority system designed into LIMS must be enforced. (U)

25X1

[REDACTED]

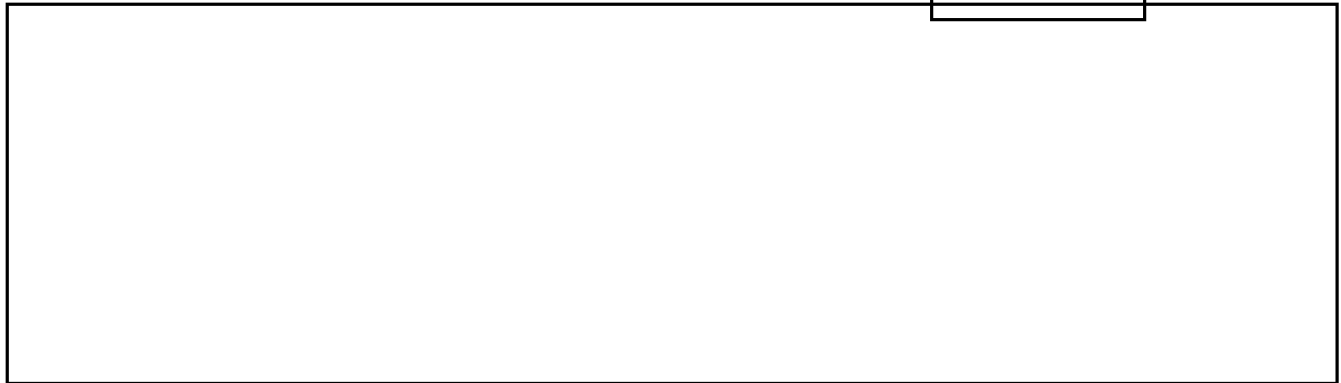
In defining the requirements for LIMS, OL management has addressed the long-range organizational impact of automation. However, to address the more immediate requirements, a group was established, chaired by the Chief, Building Planning Staff, to determine if organizational realignments are appropriate at this time. The group will report their findings to OL managers and identify the advantages and disadvantages of alternative organizational changes. (U)

[REDACTED]

ESTABLISHMENT OF A NEW PROPRIETARY
[REDACTED] C/RECD/OL- [REDACTED]

25X1

The impact of increased support to covert activities has exacerbated OL resources. The Office must develop a multi-disciplined support capability to quickly augment resources in order to continue to be responsive to current and projected requirements in support of covert activities. [REDACTED]

25X1
25X1UNIFORM FEDERAL PROCUREMENT SYSTEM
[REDACTED] C/PD/OL-

Activities are in process to issue new procurement regulations that will provide uniform policy and procedures for federal procurements by all federal agencies. The Office of Federal Procurement Policy has been given an extension to October 1983 to prepare proposed regulations for submission to the Congress. Some reasons supporting new uniform regulations are:

- Too many existing regulations to be reasonable, efficient, and effective.
- Inconsistency between the Federal Procurement Regulations (FPRs) and the Defense Acquisition Regulation (DAR).
- Reporting requirements are varied and extensive.
- Year-end spending.
- Annual versus multiyear funding.
- Lack of accountability.
- Poor organizational placement of the procurement function.
- Lack of management concern in the procurement process.
- Lack of standards for performance measurement of contracting officer personnel.
- Inadequate planning to take advantage of prices.
- Lack of competition.
- Lack of well-trained professionals to properly administer contracts. (U)

The new regulations have the potential to substantially affect the way the Office of Logistics does business. They are expected to change the methods of procurement to three: Sealed-Bid, Competitive Negotiation, and Small Purchase. OL is concerned about the applicability of these new regulations to the Agency. A rewrite of all Agency procurement policy (regulations, clauses, etc.) will be required when the new regulations become effective. (U)

Each Government agency must designate a procurement executive to coordinate action on the new regulations. The Agency representative is the Chief, Procurement Management Staff. (U)

GENERAL ISSUES

Employee Morale

It is generally felt that employee morale is better than it has been in several years. This condition is attributed to increased requirements--there is ample work for all employees. Additionally, the quality of work and employee motivation has improved. (U)

The working environment can be further improved by the following:

- Managers should spend more time on employee turf.
- Deputy chiefs should become more involved in personnel matters.
- Project/action officers should be responsible for presenting their work to management and should initiate and sign memoranda (except outside OL).
- Employees should live up to their commitments; i.e., go where they are needed. (U)

Impact of Rotations of Chiefs and Deputies

Although the recent rotations of OL division chiefs and deputies are viewed as healthy, the verdict is still out on the impact. The rotations were made to broaden awareness of problems in other divisions, broaden expertise of the managers, and create a new management style in the divisions. Even though it is too early to assess the impact of the rotations on employees, it was stated that the chief and deputy should not rotate at the same time and that the rotations were potentially expensive due to discontinuity. (U)

OL's Image

The Office is very effective and all of OL should be proud of achievements. The Office has outstanding employees who probably underestimate Office accomplishments. The office is recognized by the Deputy Director for Administration (DDA) and other Agency components as responsive and professional. (U)

Future Conferences

It was the consensus of the attendees that a meeting of this type away from the job is needed in the near future to discuss the continuing issues and new topics of mutual interest.